

## Message Text

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ACTION ARA-14

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-05 H-01 INR-10  
L-03 NSAE-00 NSC-05 PA-01 SP-02 SS-15 ICA-11  
SNM-05 DEAE-00 MCT-01 /074 W  
-----003348 201724Z /53

R 201431Z JUN 78  
FM AMEMBASSY TEGUCIGALPA  
TO SECSTATE WASHDC 690  
INFO AMEMBASSY GUATEMALA  
AMEMBASSY MANAGUA  
AMEMBASSY SAN JOSE  
AMEMBASSY SAN SALVADOR

C O N F I D E N T I A L TEGUCIGALPA 2922

E.O. 11652: GDS  
TAGS: PINT, SNAR, HO  
SUBJ: NARCOTICS SCANDAL: FERRARI BODIES FOUND

REF: (A) TEGUCIGALPA 2543, (B) TEGUCIGALPA 1368,  
(C) TEGUCIGALPA 2036

1. TWO BADLY DECOMPOSED BODIES, ALMOST WITHOUT DOUBT THOSE OF KIDNAP VICTIMS MARIO AND MARY FERRARI, HAVE BEEN FOUND BURIED IN A DEEP ARTESIAN WELL ABOUT SIX MILES OUTSIDE TEGUCIGALPA. THIS DEVELOPMENT COMES AFTER A WEEK OF RISING EXPECTATIONS AS HEAVY EQUIPMENT DUG SIXTY FEET DOWN TO EXPOSE THE WELL BOTTOM. IT CONFIRMS DOUBTS OVER STORY AS IT ORIGINALLY GIVEN TO PRESS (REF B) CLAIMING THE FERRARI'S WERE SPIRITED AWAY ALIVE TO COLOMBIA AND HAS RE-KINDLED INTENSE PUBLIC INTEREST AND COMMENT.

2. DISCOVERY CAME AFTER THE WIFE OF ONE OF THE ACCUSED KIDNAPPERS TOLD THE PRESS WHERE THE BODIES MIGHT BE. ONE RUMOR MAINTAINS THE AUTHORITIES KNEW BURIAL LOCATION AND WERE ONLY FORCED INTO ACTION WHEN THE INFORMATION BECAME PUBLIC. TRUE OR  
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NOT, IT IS AN EXAMPLE OF HOW RUMORS ABOUND AS ALL THE PERSONS INVOLVED LEAK STORIES ATTEMPTING TO CLEAR THEIR NAMES OR ESTABLISH MINIMAL PARTICIPATION. MOST STRIKING IS THE DENIAL BY PAULINO REYES OF HIS PUBLIC CONFESSION DESCRIBING HOW HE TOOK PART IN THE KIDNAPPING AND CONFIRMING THE STORY AS RELATED BY DIMAS REYES (NO RELEATION). PAULINO REYES HAS NOT ONLY DENIED KNOWING DIMAS REYES OR BEING ANYWHERE NEAR THE FERRARI'S THE

NIGHT OF DECEMBER 12, BUT NOW CLAIMS HE WAS FORCED BY ARMED FORCES G-2 LT.COL. LEONIDAS TORRES ARIAS TO LIE IN DESCRIBING THE KIDNAPPING AND FANCIFUL FLIGHT TO COLOMBIA.

3. WHILE THE HIGH LEVEL MILITARY COMMISSION IS REPORTEDLY CONTINUING ITS INVESTIGATIONS, IT HAS MADE NO PUBLIC REPORTS IN THE NEARLY TWO MONTHS SINCE IT WAS FORMED (REF C). MEANWHILE, LACK OF A CLEAR STATEMENT HELPS FEED SPECULATION. ONE MILITARY OFFICER QUOTED ON RADIO NEWS PROGRAM CLAIMED THE PRESS WAS BEING USED IN A CAMPAIGN TO DIVIDE THE ARMY. THIS IS THE FIRST PUBLIC INTIMATION OF POSSIBLE DIVISIONS WITHIN THE ARMED FORCES AND INDICATES THERE MIGHT BE SOME BASIS TO RUMORS THE EMBASSY HAS HEARD ALLEGING THE MILITARY ITSELF IS DIVIDED ABOUT HOW TO HANDLE THE INFORMATION SO FAR GATHERED.

4. COMMENT: SINCE CARLOS FILIPE MADRID SURVIVED THE ATTEMPT ON HIS LIFE, THIS CASE HAS ALMOST COMPLETELY DOMINATED PUBLIC ATTENTION. THESE LATEST DEVELOPMENTS WILL INCREASE PUBLIC PRESSURE FOR A REPORT FROM THE HIGH LEVEL COMMISSION. UNTIL THERE IS A CLARIFICATION OF THIS CASE, IT WILL NOT BECOME "JUST ANOTHER CRIMINAL MATTER," AS MINGOVERNMENT LT.COL. JUAN ANGEL ARIAS RECENTLY CLAIMED. IT IS A SORDID CRIMINAL MATTER BUT, WITH THE UNRESOLVED IMPLICATIONS OF MILITARY INVOLVEMENT, IT IS ALSO MORE THAN THAT AND WILL CONTINUE TO POSE A POTENTIAL THREAT TO GOVERNMENT STABILITY, AS THE RUMORS OF DIVISION WITH THE ARMED FORCES SHOW.

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## Message Attributes

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**Decaption Date:** 01 jan 1960  
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**Disposition Approved on Date:**  
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**TAGS:** PINT, SNAR, HO, (FERRARI, MARIO), (FERRARI, MARY)  
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**Review Markings:**  
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